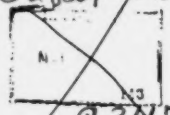

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FORM 10-Q - Quarterly Report Under Section 13 or 15(d) of the Securities Exchange Act of 1934

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

[ X ] Quarterly Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.
For the period ended March 31, 1992

[ ] Transition Report Pursuance to Section 13 or 15(d) of the Securities Exchange act of 1934.
For the transition period from _____ to _____

Commission File Number 33-26467

INTELLIGENT FINANCIAL CORPORATION
(Exact name of registrant as specified in its charter)

| Colorado | 84-1153295 |
|---|---|
| (State or other jurisdiction of incorporation or organization) | (I.R.S. Employer Identification No.) |
| 515 S. Teion, Colorado Springs, Colorado | 80903 |
| (Address of principal executive offices) | (Zip Code) |

(719) 473-9009
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report.)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

[ X ] Yes [ ] No

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PRECEDING FIVE YEARS:

Indicated by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

[ ] Yes [ ] No

APPLICABLE ONLY TO CORPORATE ISSUERS:

As of March 31, 1992, Registrant had 300,000 shares of common stock, $.004 Par Value, outstanding.

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INTELLIGENT FINANCIAL CORPORATION

BALANCE SHEETS

ASSETS

| | December 31, 1991 | March 31, 1992 (Unaudited) |
|---|---|---|
| Current Assets: | | |
| Cash | $ 70,765 | $ 45,075 |
| Inventory | - | 5,805,635 |
| Leased equipment | 146,530 | 153,509 |
| Accounts receivable | 52,603 | 317,923 |
| Notes receivable | 64,097 | 65,712 |
| Other | 26,090 | 42,110 |
| Total Current Assets | 360,085 | 6,429,964 |
| Leased and other equipment | 139,066 | 155,549 |
| Franchise costs | 201,852 | 260,138 |
| Receivable from related party | 267,047 | 270,128 |
| Other assets | 7,500 | 11,130 |
| TOTAL ASSETS | $ 995,550 | $ 7,126,909 |

LIABILITIES AND STOCKHOLDERS' EQUITY

| | | |
|---|---|---|
| Liabilities: | | |
| Notes payable | $ 290,695 | $ 6,293,418 |
| Accounts payable | 44,665 | 86,986 |
| Unearned income | 21,698 | 9,174 |
| Income tax payable | 2,305 | 10,521 |
| Accrued interest expense | 2,045 | 24,531 |
| Total Current Liabilities | 361,408 | 6,424,630 |
| Note payable, net of current portion | - | 100,846 |
| Other | - | 14,428 |
| TOTAL LIABILITIES | 361,408 | 6,539,904 |
| Stockholders' Equity: | | |
| Preferred stock, 2,500,000 shares authorized, $.04 par value, none issued and outstanding | - | - |
| Common stock, 12,500,000 shares authorized, $.004 par value, 300,000 shares issued and outstanding | 1,200 | 1,200 |
| Additional paid-in capital | 616,067 | 536,067 |
| Retained earnings | 16,875 | 49,738 |
| TOTAL STOCKHOLDERS' EQUITY | 634,142 | 587,005 |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | $ 995,550 | $ 7,126,909 |

The accompanying notes are an integral part of the financial statements.

INTELLIGENT FINANCIAL CORPORATION

STATEMENTS OF OPERATIONS
(Unaudited)

| | Three Months Ended March 31, 1992 | Three Months Ended March 31, 1991 |
|---|---|---|
| Revenue: | | |
| Sales | $ 4,942,283 | $ 100,950 |
| Cost of sales | 4,626,485 | 61,295 |
| Gross profit | 315,798 | 39,655 |
| Operating Expenses: | | |
| Salaries | 168,328 | 12,150 |
| Payroll taxes & benefits | 21,945 | 1,755 |
| Amortization | 10,231 | - |
| Professional fees | 23,000 | - |
| Rent | 2,625 | 1,500 |
| Support services | 15,000 | - |
| Other | 4,139 | 3,320 |
| Total Operating Expense | 245,268 | 18,725 |
| Net Operating Income | 70,530 | 20,930 |
| Other income (expense) | | |
| Interest income | 8,973 | - |
| Interest expense | (38,424) | (10,875) |
| Net Income before provision for income taxes | 41,079 | 10,055 |
| Provision for income taxes | 8,216 | 2,010 |
| Net Income | $ 32,863 | $ 8,045 |

The accompanying notes are an integral part of the financial statements.

INTELLIGENT FINANCIAL CORPORATION

STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY
From December 31, 1991 through March 31, 1992 (Unaudited)

| | Common Stock Shares | Common Stock Amount | Additional Paid-in Capital | Retained Earnings | Total |
|---|---|---|---|---|---|
| Balance at December 31, 1991 | 300,000 | $ 1,200 | $ 616,067 | $ 16,875 | $ 634,142 |
| Distribution (Note 3) | - | - | (80,000) | - | (80,000) |
| Net income for the three months ended March 31, 1992 (Unaudited) | - | - | - | 32,863 | 32,863 |
| Balance at March 31, 1992 (Unaudited) | 300,000 | $ 1,200 | $ 536,067 | $ 49,738 | $ 587,005 |

The accompanying notes are an integral part of the financial statements.

INTELLIGENT FINANCIAL CORPORATION
(A Development-Stage Enterprise)

STATEMENTS OF CASH FLOWS
(Unaudited)

| | Three Months Ended March 31, 1991 | Three Months Ended March 31, 1992 |
|---|---|---|
| Operating Activities: | | |
| Net income | $ 8,045 | $ 32,863 |
| Adjustments to reconcile net loss to net cash provided by operating activities: | | |
| Depreciation & amortization | 42,550 | 50,534 |
| Increase in receivables | (9,262) | (14,560) |
| Increase in accounts payable and accrued expenses | 11,031 | 73,023 |
| Other, net | 8,985 | (15,791) |
| Net Cash Provided by Operating Activities | 61,349 | 126,069 |
| Investing Activities: | | |
| Franchise costs | - | |
| Equipment purchased, net | (63,505) | (72,830) |
| Other | - | (54,803) |
| | | (1,300) |
| Net Cash (Used in) Investing Activities | (63,505) | (128,933) |
| Financing Activities: | | |
| Proceeds from notes payable, net | - | 54,144 |
| Distributions | - | (80,000) |
| Other, net | - | 3,030 |
| Net Cash Provided by (Used in) Financing Activities | - | (22,826) |
| Increase (Decrease) in Cash | (2,156) | (25,690) |
| Cash, Beginning of Period | 3,270 | 70,765 |
| Cash, End of Period | $ 1,114 | $ 45,075 |

The accompanying notes are an integral part of the financial statements.

INTELLIGENT FINANCIAL CORPORATION

NOTES TO FINANCIAL STATEMENTS

December 31, 1991 and March 31, 1992 (Unaudited)

(1) Organization

Intelligent Financial Corporation (the Company) was originally incorporated in Colorado on September 28, 1988 as Bonus, LTD. The Company has selected December 31, as its fiscal year end.

The Company has acquired the franchise rights to operate certain computer departments in various "BizMart" stores.

(2) Unaudited Statements

The balance sheet as of March 31, 1992, the statements of operations for the three month periods ended March 31, 1992 and 1991, and the statements of cash flows and stockholders' equity for the three month periods ended March 31, 1992 and 1991 have been prepared by the Registrant without audit. In the opinion of management, all adjustments (which include only normal recurring adjustments) necessary to present fairly the financial position, results of operations and changes in financial position at March 31, 1992 and for all periods presented, have been made.

(3) Acquisition of DMA Computer Solutions, Inc.

Effective January 1, 1992, the Company acquired DMA Computer Solutions Inc. (DMA) from DMA Computer Solutions (Partnership), a Colorado partnership. The Partnership is a major shareholder of the Company. The Company paid to the Partnership $150,000 cash and agreed to pay 40% of the annual pre-tax operating profit of DMA up to a maximum of an additional $175,000 over the five year period which began January 1, 1992. Since the company paid $80,000 in excess of the book value of DMA to a related party, this $80,000 excess has been treated as a distribution.

ITEM 2

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

(1) Material Changes in Financial Condition

Management knows of no trends, demands, commitment, events or circumstances which will result in or which are reasonably likely to result in the Registrant's liquidity increasing or decreasing in a material way.

The Registrant has no material commitments for capital expenditures as of the end of the latest fiscal period. Management knows of no material trends, favorable or unfavorable, in the Registrant's capital resources and anticipates no material change in the mix and cost of such resources.

The Registrants stockholders equity decreased from $634,142 at December 31, 1991 to $587,005, a decrease of $47,137. This net decrease resulted from a net income of $32,863 during the three month period ended March 31, 1992, less the distribution of $80,000 related to the acquisition of DMA Computer Solutions, Inc. as described in Note 3 to the financial statements.

There was no material change in working capital during the three month period ended March 31, 1992 since current assets increased in similar amounts related to the operating of the "BizMart" stores' computer departments. The Company borrowed approximately $6,000,000 to finance the inventory of the computer departments. The inventory is collateral on the related notes payable.

(2) Material Changes in Results of Operations

The Company's sales increased from $100,950 during the three month period ended March 31, 1991 to $4,942,283 during the three month period ended March 31, 1992, an increase of $4,841,333. The Company's cost of sales increased from $61,295 during the three month period ended March 31, 1991 to $4,626,485 during the three month period ended March 31, 1992, an increase of $4,565,190. The increase in sales and the cost of sales resulted from the operation of the "BizMart" stores computer departments which the Company acquired the rights to operate effective during January, 1992. Gross profit on sales increased from $39,655 during the three month period ended March 31, 1991 to $315,798 during the three month period ended March 31, 1992, an increase of $276,143. Operating expenses increased from $18,725 during the three month period ended March 31, 1991 to $245,268 during the three month period ended March 31, 1992, an increase of $226,543. The Company's interest expense increased from $10,875 during the three month period ended March 31, 1991 to $38,424 during the three month period ended March 31, 1992, an increase of $27,549. The increases in gross profit, operating expenses and interest expense were primarily the result of the operations of the "BizMart" computer departments.

## PART II. OTHER INFORMATION

Item 1. Legal Proceedings

None.

Item 2. Changes in Securities

None.

Item 3. Defaults upon Senior Securities

None.

Item 4. Submission of Matters to a Vote of Security Holders

None.

Item 5. Other Information

None.

Item 6. Exhibits and Reports on Form 8-K

None.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**INTELLIGENT FINANCIAL CORPORATION**

Dated: 5/14/92

Craig T. Rogers

Craig T. Rogers, President